



WILLIAM T FUJIOKA  
Chief Executive Officer

County of Los Angeles  
**CHIEF EXECUTIVE OFFICE**

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

*"To Enrich Lives Through Effective And Caring Service"*

Board of Supervisors  
GLORIA MOLINA  
First District

MARK RIDLEY-THOMAS  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

June 18, 2013

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

16 June 18, 2013

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

**AMENDMENT NO. 1 TO LEASE NO. 72577  
DEPARTMENT OF PUBLIC SOCIAL SERVICES  
SHERIFF'S DEPARTMENT  
DEPARTMENT OF CHILDREN AND FAMILY SERVICES  
DEPARTMENT OF ANIMAL CARE AND CONTROL  
12440 EAST IMPERIAL HIGHWAY, NORWALK  
(FOURTH DISTRICT)  
(3 VOTES)**

**SUBJECT**

This is a recommendation to approve a lease extension for the uninterrupted occupancy of 58,642 rentable square feet of office space and 484 parking spaces by the Department of Public Social Services and other County departments.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the proposed lease amendment is categorically exempt from the provisions of the California Environmental Quality Act pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, per Section 15301 of the State of California Environmental Quality Act Guidelines (Existing Facilities).
2. Approve and instruct the Chairman to sign the lease amendment with SONNENBLICK-DEL RIO NORWALK, LLC, and NORWALK SEC, LLC (Lessor) for 58,642 rentable square feet of office space and 484 parking spaces at 12440 East Imperial Highway, Norwalk to be occupied by the Departments of Public Social Services, Sheriff, Children and Family Services, and Animal Care and Control. The initial maximum annual lease costs are \$1,303,149, which is approximately 79 percent funded by State and Federal funds and the remainder net County cost.

## **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of this recommended action will provide continuous uninterrupted occupancy for the Department of Public Social Services (DPSS) Academy training programs, as well as the Sheriff's Technical Services Division, Department of Children and Family Services (DCFS), and the Department of Animal Care and Control (ACC). Lease No.72577 expired on February 25, 2011, and is on a month-to-month lease. The tenant departments have expressed a desire to extend the lease. The proposed lease amendment entails retaining the original premises of 58,642 square feet and 484 parking spaces.

Since February 2001, DPSS has housed its DPSS Academy training program and administrative staff at the subject building. DPSS Academy training programs, Property and Emergency Management Section, and Internal Affairs investigations occupy 49,435 square feet. The Sheriff's Technical Services Division occupies 5,102 square feet, DCFS training group occupies 1,654 square feet, and ACC Enforcement Services Division occupies 2,451 square feet. DPSS Property and Emergency Management Section is responsible for the daily maintenance and operations of its facilities. The Sheriff's Technical Services Division provides technical support services and management of the Sheriff's communications, vehicle fleet, data, and information systems. DCFS utilizes its space to conduct training programs. ACC Enforcement Services Division administers fee payments in connection with licensing and other animal services.

## **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan Goal of Operational Effectiveness (Goal 1) directs that we maximize the effectiveness of processes, structure, and operations to support timely delivery of customer-oriented and efficient public services. In this case, the County is supporting this goal by providing continuity of operations and uninterrupted occupancy of suitable office space, which allows staff to provide efficient public services. The lease amendment is in conformance with the Asset Management Principles as outlined in Attachment A.

## **FISCAL IMPACT/FINANCING**

The proposed lease amendment will provide uninterrupted use of 58,642 square feet of office space and 484 parking spaces at a maximum first year cost of \$1,303,149 or \$22.22 per square foot, which is an increase of 1 percent from current costs. The rental costs consist of two components, office and parking costs. Annual office costs amount to \$1,168,149 or \$19.92 per square feet, and annual parking costs amount to \$135,000 or \$540 per parking space. The lease includes 484 parking spaces, of which 250 parking spaces are subject to the parking rate and 234 parking spaces are included in the office rent component. All building operating expenses, except utilities, are included in the office rent component. The office rent is subject to annual adjustment in accordance with changes to the Consumer Price Index (CPI). Attachment B is an overview of the changes in the lease.

## **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The proposed lease amendment will provide uninterrupted use of 58,642 square feet of office space and at least 484 parking spaces and contains the following provisions:

- Commencement of new rent and five-year term upon approval by the Board.

- A modified full-service gross basis with the Lessor responsible for all operational and maintenance costs, and the County responsible for electricity costs.
- A cancellation provision allowing the County to cancel any time after four years with 180 days prior written notice. The premises occupied by the Sheriff's Department are cancellable any time after January 1, 2015. The supplemental parking of 250 spaces is cancellable any time during the extended lease term.
- Annual rental rate adjustments based upon CPI with a maximum increase of 3 percent per annum and no floor.
- In 2011, the Chief Executive Office (CEO) Asset Management designated less space for DPSS Academy, due to a reduction in training requirements. However, an increase in training hours and maximum utilization of training rooms are anticipated as a result of the implementation of the Affordable Care Act (ACA). ACA will require additional specialized training and support for current eligibility staff administering the Medi-Cal programs. DPSS has hired 400 additional staff and anticipates hiring 922 new staff due to ACA. This new staffing level creates the need to retain the existing 58,642 square feet of space.
- New flooring material will be installed in the hallways at the Lessor's sole cost and expense.

The CEO Real Estate staff conducted a survey within the search area to determine the availability of comparable and more economical sites. Staff was unable to identify any sites in the surveyed area that could accommodate this requirement more economically, nor are there any County-owned or leased facilities available for this program. Based upon said survey, staff has established that the rental range for similar space and terms is between \$18.60 and \$24 per square foot per year. Thus, the proposed annual cost of \$22.22 per square foot per year represents a rate within the market range for the area.

Attachment C shows County-owned or leased facilities in the proximity of the service area, and there are no suitable County-owned or leased facilities available for the program.

The Department of Public Works has inspected this facility and found it suitable for the County's occupancy. Notification letters have been sent pursuant to Government Code Sections 25351 and 65402.

The CEO Disability Civil Rights Unit inspected the leased premises and related common areas to assess Americans with Disabilities Act (ADA) accessibility compliance. A report identifying barriers to accessibility has been provided and the Lessor has completed the necessary ADA improvements outlined in the report.

## **ENVIRONMENTAL DOCUMENTATION**

The CEO has concluded that this project is exempt from the California Environmental Quality Act (CEQA) as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities).

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The proposed lease amendment will adequately provide the necessary office space for this County requirement. All tenant departments concur with the proposed recommendations.

**CONCLUSION**

It is requested that the Executive Officer, Board of Supervisors, return three originals of the executed lease amendment, two certified copies of the Minute Order and the adopted, stamped Board letter to the CEO, Real Estate Division at 222 South Hill Street, 4th Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "W. T. Fujioka", with a stylized flourish at the end.

WILLIAM T FUJIOKA

Chief Executive Officer

WTF:RLR:CMM

CEM:KW:ls

Enclosures

- c: Executive Office, Board of Supervisors
- County Counsel
- Auditor-Controller
- Animal Care and Control
- Children and Family Services
- Public Social Services
- Sheriff

**DEPARTMENT OF PUBLIC SOCIAL SERVICES**  
**12440 EAST IMPERIAL HIGHWAY, NORWALK**  
**Asset Management Principles Compliance Form<sup>1</sup>**

<b>1.</b>	<b><u>Occupancy</u></b>		<b>Yes</b>	<b>No</b>	<b>N/A</b>
A	Does lease consolidate administrative functions? <sup>2</sup>				<b>X</b>
B	Does lease co-locate with other functions to better serve clients? <sup>2</sup>				<b>X</b>
C	Does this lease centralize business support functions? <sup>2</sup>				<b>X</b>
D	Does this lease meet the guideline of 200 sq. ft of space per person? <sup>2</sup> <b>The unique nature of the space layout for classroom and training purposes amounts to 342 sqft per person.</b>			<b>X</b>	
<b>2.</b>	<b><u>Capital</u></b>				
A	Is it a substantial net County cost (NCC) program?			<b>X</b>	
B	Is this a long term County program?		<b>X</b>		
C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?			<b>X</b>	
D	If no, are there any suitable County-owned facilities available?			<b>X</b>	
E	If yes, why is lease being recommended over occupancy in County-owned space?				<b>X</b>
F	Is Building Description Report attached as Attachment C?		<b>X</b>		
G	Was build-to-suit or capital project considered? <b>A build-to-suit or capital project is not feasible for this space requirement.</b>			<b>X</b>	
<b>3.</b>	<b><u>Portfolio Management</u></b>				
A	Did department utilize CEO Space Request Evaluation (SRE)?		<b>X</b>		
B	Was the space need justified?		<b>X</b>		
C	If a renewal lease, was co-location with other County departments considered?				<b>X</b>
D	Why was this program not co-located?				<b>X</b>
	1. ____ The program clientele requires a "stand alone" facility.				
	2. ____ No suitable County occupied properties in project area.				
	3. ____ No County-owned facilities available for the project.				
	4. ____ Could not get City clearance or approval.				
	5. <u><b>X</b></u> The Program is being co-located.				
E	Is lease a full service lease? <sup>2</sup> <b>The Landlord would not agree to cover electricity costs.</b>			<b>X</b>	
F	Has growth projection been considered in space request?		<b>X</b>		
G	Has the Dept. of Public Works completed seismic review/approval?		<b>X</b>		
<sup>1</sup> As approved by the Board of Supervisors 11/17/98					
<sup>2</sup> If not, why not?					

**FISCAL IMPACT/FINANCING  
OVERVIEW OF THE PROPOSED LEASE**

<b>12440 East Imperial Highway, Norwalk</b>	<b>Existing Lease</b>	<b>Proposed Lease Amendment No.1</b>	<b>Changes</b>
Area	58,642 square feet (sq. ft.)	58,642 square feet (sq. ft.)	None
Term	2/26/2001 to 2/25/2011 Month-to-Month: (2/26/11-Present)	6/18/13 to 6/17/18 Upon Board approval	+5 years
Annual Rent	\$1,156,152 (\$19.72 per sq. ft.)	\$1,168,149 (\$19.92 per sq. ft.)	+\$11,998
Parking (included in Rent)	234 spaces	234 spaces	None
Supplemental Parking	250 spaces	250 spaces	None
Annual Supplemental Parking Rent	\$135,000	\$135,000	None
Total Annual Cost	\$1,291,152	\$1,303,149 (\$22.22 per sq. ft.)	+11,998
Annual Rent Adjustment	Annual CPI adjustment with a cap of 3%	Annual CPI adjustment with a cap of 3%	None
Cancellation	Any time after the 5 <sup>th</sup> Year upon 120 days notice	Any time after the 4 <sup>th</sup> Year upon 180 days notice	Any time after the 4 <sup>th</sup> Year upon 180 days notice

## Attachment C

**DEPARTMENT OF PUBLIC SOCIAL SERVICES  
SPACE SEARCH - 5-MILE RADIUS OF 12440 EAST IMPERIAL HIGHWAY, NORWALK**

Laco	Facility Name	Address	Gross SQFT	Net SQFT	Ownership	Available SQFT
6367	PW SEWER-CENTRAL YARD OFFICE	12015 SHOEMAKER AVE, SANTA FE SPRINGS 90670	950	903	OWNED	NONE
A355	DCFS-SANTA FE SPRINGS (SPA 7)	10355 SLUSHER DR, SANTA FE SPRINGS 90670	65,568	50,633	LEASED	NONE
A498	DCFS-KINSHIP I-SOUTH	9834 NORWALK BLVD, SANTA FE SPRINGS 90670	5,875	5,580	LEASED	NONE
A176	HEALTH SERVICES-EMS	10100 PIONEER BLVD, SANTA FE SPRINGS 90670	41,720	39,634	LEASED	NONE
A566	SHERIFF - SO CAL HIGH TECH TASK FORCE	9900 NORWALK BLVD, SANTA FE SPRINGS 90670	22,880	21,736	LEASED	NONE
D812	PW-INC CITY OFFICE (SANTA FE SPRINGS)	11710 TELEGRAPH RD, SANTA FE SPRINGS 90670	0	0	GRATIS USE	NONE
E485	PUBLIC LIBRARY-SOUTH WHITTIER LIBRARY	14433 LEFFINGWELL RD, WHITTIER 90604-2966	7,062	6,709	OWNED	NONE
A358	DPSS-COMPUTER SERVICES/ LEADER PROGRAM OFFICE	14714 CARMENITA RD, NORWALK 90650	44,250	42,038	LEASED	NONE
Y531	STAR CENTER-ADMINISTRATION BUILDING	11515 S COLIMA RD, WHITTIER 90604	8,884	5,780	FINANCED	NONE
Y533	STAR CENTER-ACADEMY BUILDING C	11515 S COLIMA RD, WHITTIER 90604	15,578	8,104	FINANCED	NONE
Y534	STAR CENTER-ACADEMY BUILDING D	11515 S COLIMA RD, WHITTIER 90604	16,551	10,983	FINANCED	NONE
Y535	STAR CENTER-ACADEMY BUILDING E	11515 S COLIMA RD, WHITTIER 90604	19,984	12,864	FINANCED	NONE
Y542	STAR CENTER-ACADEMY BUILDING M	11515 S COLIMA RD, WHITTIER 90604	9,097	7,847	FINANCED	NONE
0092	PW ROAD-DIV #146 SUBYARD OFFICE	13671 TELEGRAPH RD, SOUTH WHITTIER 90604	576	518	OWNED	NONE
A511	DCFS-SOUTH WHITTIER COMMUNITY RESOURCE CENTER	10750 LAUREL AVE, WHITTIER 90605	150	150	GRATIS USE	NONE
Y300	PUB LIB-LOS NIETOS LIBRARY	11640 E SLAUSON AVE, WHITTIER 90606	16,374	15,877	OWNED	NONE
Y300	PUB LIB-LOS NIETOS LIBRARY	11640 E SLAUSON AVE, WHITTIER 90606	16,374	15,877	OWNED	NONE
6335	PROBATION-RIO HONDO AREA OFFICE	8240 S BROADWAY AVE, WHITTIER 90606	19,997	12,942	OWNED	NONE
A279	DPW-SOUTH WHITTIER DISTRICT/SHERIFF'S SUB-STN	13523 TELEGRAPH RD, SOUTH WHITTIER 90605	2,262	2,126	LEASED	NONE
A279	DPW-SOUTH WHITTIER DISTRICT/SHERIFF'S SUB-STN	13523 TELEGRAPH RD, SOUTH WHITTIER 90605	900	855	LEASED	NONE
B632	PW-INC CITY OFFICE (LA MIRADA)	13700 LA MIRADA BLVD, LA MIRADA 90638	112	102	GRATIS USE	NONE
6418	PUBLIC LIBRARY-LA MIRADA LIBRARY	13800 LA MIRADA BLVD, LA MIRADA 90638	15,704	13,061	OWNED	NONE
A402	PW-INC CITY OFFICE (CERRITOS)	18125 S BLOOMFIELD AVE, CERRITOS 90703	0	0	GRATIS USE	NONE
A647	LACO FIRE DEPT-HEALTH HAZARDOUS MATERIALS OFF	9155 TELEGRAPH RD, PICO RIVERA 90660	2,400	2,280	LEASED	NONE
A126	DA-CRIMINAL JUSTICE INFORMATION SYSTEM/ ISAB	12750 CENTER COURT DR, CERRITOS 90703	20,187	19,044	LEASED	NONE
A066	PW-INC CITY OFFICE (ARTESIA)	18747 S CLARKDALE AVE, ARTESIA 90701	0	0	GRATIS USE	NONE
A080	PUBLIC LIBRARY-ARTESIA LIBRARY	18722 S CLARKDALE AVE, ARTESIA 90701	5,150	4,752	LEASED	NONE

**AMENDMENT NO. 1 TO COUNTY LEASE NO. 72577  
DEPARTMENT OF PUBLIC SOCIAL SERVICES  
12440 EAST IMPERIAL HIGHWAY, NORWALK**

This Amendment No. 1 to Lease No. 72577 ("Amendment" or "Amendment No. 1") is made and entered into this 18th day of June, 2013, by and between SONNENBLICK-DEL RIO NORWALK, LLC, a Delaware limited liability company, and NORWALK SEC, LLC, a Delaware limited liability company, on the one hand, (collectively "Lessor"), and the COUNTY OF LOS ANGELES, a body politic and corporate, on the other hand ("County" or "Lessee").

**WHEREAS**, STARWOOD O.C. PORTFOLIO V, LLC ("Original Lessor"), predecessor-in-interest to SONNENBLICK-DEL RIO NORWALK, LLC, and NORWALK SEC, LLC, and Lessee entered into that certain County Lease No. 72577 dated January 18, 2000 whereby Original Lessor leased to Lessee approximately 58,642 rentable square feet of office space commonly known as Suite 600 in the building located at 12440 East Imperial Highway, Norwalk, California ("Original Premises"), for a term of ten (10) years ("Initial Term") from February 26, 2001 to February 25, 2011; and

**WHEREAS**, The Term expired on February 25, 2011 and continues on a monthly basis; and

**WHEREAS**, Lessor and Lessee desire to amend the Lease for the purpose of extending the Term, expanding the number of parking spaces, and adjusting the rent and cancellation option included in the Lease pursuant to the terms and conditions of the Lease and this Amendment; and

**WHEREAS**, SONNENBLICK-DEL RIO NORWALK, LLC, and NORWALK SEC, LLC is the successor-in-interest to STARWOOD O.C. PORTFOLIO V, LLC, and, as such, assumes all of the rights and obligations of STARWOOD O.C. PORTFOLIO V, LLC arising under the Lease, as amended hereby;

**NOW, THEREFORE**, in consideration of the foregoing recitals, which are hereby deemed a contractual part hereof, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and the rents, covenants and agreements hereinafter contained, Lessor and Lessee hereby covenant and agree to amend Lease No. 72577 as follows:

1. Paragraph 1. DESCRIPTION OF PREMISES, is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

The Lessor hereby leases to the Lessee, and the Lessee hereby hires and takes of and from the Lessor, those certain premises located at 12440 East Imperial Highway (the "Building") in the City of Norwalk, County of Los Angeles, State of California, more particularly described as follows:

- Premises A: Consisting of 53,540 rentable square feet, known as Suite 600;
- Premises B: Consisting of 5,102 rentable square feet, known as Suite 650;
- Premises C: Consisting of two hundred thirty four (234) parking spaces;
- Premises D: Consisting of two hundred fifty (250) parking spaces;



2. Paragraph 2. TERM, is hereby amended by the addition of the following :

The term of this Lease shall be extended for a period of five (5) years commencing upon execution of this Amendment No. 1 by the County Board of Supervisors, and expiring on the fifth anniversary of said execution date ("Extension Term 1"), unless terminated earlier pursuant to the provisions of Sections 5, 7, 9, 12, 16, 21, 22 and 23 of the Lease .

3. Paragraph 3. RENT, is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

The Lessee hereby agrees to pay as Base Rent for the Premises the sum of Ninety-Seven Thousand Three Hundred Forty-Five and 72/100 Dollars (\$97,345.72) per month, i.e. One and 66/100 Dollars (\$1.66) per rentable square foot per month for months One (1) through Twelve (12) of Extension Term 1, payable in advance by Auditor's General Warrant. Rental payments shall be payable within fifteen (15) days after the first day of each and every month of the term hereof provided Lessor has caused a claim therefor for each such month to be filed with the Auditor Controller of the County of Los Angeles prior to the first day of each month. Rental payments shall be subject to adjustment as stipulated in Paragraph 19 herein.

4. Paragraph 5. CANCELLATION, is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

Lessee shall have the right to cancel this Lease any time after the 48<sup>th</sup> month of Extension Term 1 by giving Lessor not less than one hundred eighty (180) days prior written notice by Chief Executive Office letter. Notwithstanding the foregoing, Lessee shall have the right to reduce the parking spaces on or cancel the Lease as to Premises D at any time during Extension Term 1 and/or reduce the square footage of or cancel the Lease as to Premises B at any time after January 1, 2015, upon giving Lessor 30 days' advance written notice. In the event Lessee elects to cancel and vacate Premises B, then Premises C shall automatically be reduced from 234 to 220 parking spaces.

5. Paragraph 15. NOTICES, is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

Notices desired or required to be given by this Lease or by any law now or hereinafter in effect shall be given by enclosing the same in a sealed envelope with postage prepaid, certified or registered mail, return receipt requested, with the United States Postal Service.

Any such notice and the envelope containing the same shall be addressed to the Lessor as follows:

SONNENBLICK DEL RIO NORWALK, LLC  
NORWALK GOVERNMENT CENTER  
Attention: Melissa Garcia  
12440 East Imperial Highway, Suite 101, Norwalk, CA 90650

with a copy to:

NORWALK SEC, LLC  
Attention: Rene Ristau  
350 North LaSalle Street, Suite 800  
Chicago, Illinois 60654

or such other place as may hereinafter be designated in writing by the Lessor except that Lessor shall at all times maintain a mailing address in California.

The notices and envelopes containing the same shall be addressed to the Lessee as follows:

Board of Supervisors  
Kenneth Hahn Hall of Administration, Room 383  
500 West Temple Street  
Los Angeles, California 90012

with a copy to:

Chief Executive Office  
Real Estate Division  
Attention: Director of Real Estate  
222 South Hill Street, 3rd Floor  
Los Angeles, California 90012

6. Paragraph 19. RENTAL ADJUSTMENT, is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

After the 12<sup>th</sup> month of Extension Term 1 (the "Adjustment Date") and on every anniversary of the Adjustment Date thereafter, the Rent shall be adjusted by applying the CPI Formula set forth below.

(a) CPI Formula. The Index means the Consumer Price Index for all Urban Consumers for the Los Angeles-Riverside-Orange County, CA area, all items published by the United States Department of Labor, Bureau of Labor Statistics (1982-84=100). The "CPI Formula" means Base Rent multiplied by a fraction, the numerator being the Index published for the month immediately preceding the month the adjustment is to be effective (the "New Index"), and the denominator being the Index published for the month the Lease commenced (the "Base Index"). If the Index is changed so that the Index differs from that used as of the Commencement Date of the Lease, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics.

If the Index is discontinued or revised during the Term of this Lease, such other governmental Index or computation with which it is replaced shall be used in order to obtain substantially the same results as would be obtained if the Index had not been discontinued or revised.

(b) Illustration of Formula. The formula for determining the new rent shall be as follows:

$$(\text{New Index} \div \text{Base Index}) \times \$97,345.72 \text{ (Base Rent)} = \text{New Monthly Base Rent}$$

(c) Limitations on CPI Adjustment. In no event shall the monthly Base Rent adjustment based upon the CPI Formula result in an annual increase more than three percent (3%) per year of the Base Rent of \$97,345.72 (i.e. not more than \$2,920.37 per month, per annual adjustment). In no event shall the monthly rent be adjusted by the CPI Formula to result in a lower monthly Base Rent than was payable during the previous year of the Lease.

7. Paragraph 21. PARKING SPACES, is hereby amended by the addition of the following:

Lessor hereby agrees to provide an additional 250 parking spaces for Lessee's exclusive use in a designated area of the parking lot at an additional cost of \$45 per parking space, or \$11,250 per month for 250 parking spaces, which shall constitute additional rent to be added to the Base Rent. The rate of \$45 per parking space shall remain fixed throughout the term of the Lease. Lessee shall not be charged a fee for any required parking decals, window tags or access cards in connection with its use of the parking lot. Lessee shall pay for this supplemental parking as additional monthly rent.

Consistent with Paragraph 3, as amended, Lessor shall use its best effort to provide Lessee with a total of at least four hundred eighty-four (484) parking spaces at all times. If Lessor provides less than the minimum of 484 spaces at all times, then Lessee will have the right to reduce the rent, payable herein, in proportion to the loss of such parking spaces based on the rate per parking space prevailing under the Lease.

In the event Lessor fails to provide the number of parking spaces required pursuant to this Paragraph 21, Lessee shall provide the Lessor with notice and condition of such failure in writing. If the Lessor cannot resolve the parking shortage in two business days, Lessor shall be required to provide valet or other such parking services as are necessary to provide the requisite parking. All such alternative parking arrangements shall be within 100 feet of the Building. In the event Tenant's parking rights are adversely impacted or displaced for 20 business days or longer, or seventy percent (70%) or more of the parking spaces required under the Lease are not available to Tenant, then Tenant may terminate this Lease by giving 30 days advance notice to Landlord.

8. Paragraph 23. GENERAL PROVISIONS, is hereby amended by the addition of the following:

(R) Successors and Assigns. All of the covenants, agreements, terms and conditions contained in this Lease shall inure to and be binding upon the Lessor and Lessee and their respective successors and assigns.

(S) Consent. Whenever any consent is required by Lessor or Lessee hereunder, such consent shall not be unreasonably withheld, conditioned or delayed and, unless otherwise specifically provided herein, shall be deemed granted if not refused within ten (10) days after written request is made therefor, together with all necessary information.

9. Paragraph 26. TENANT IMPROVEMENTS, is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

As a condition of Lessee entering into this Amendment No. 1, Lessor hereby agrees to complete certain tenant improvements and renovations at its sole cost and expense. Lessee shall not be required to reimburse Lessor for any costs associated with the following scope of work (collectively, the "Tenant Improvements") unless and until such costs exceed Fifty Thousand Dollars \$50,000.00.

Lessor shall lift and/or move furniture while replacing the carpet and/or tile throughout the hallways on the 6th Floor in accordance with Lessee's specifications at a cost to Lessor not to exceed Fifty Thousand Dollars \$50,000.00. The flooring product specified by Lessee is as follows:

Shaw Contract, 59342 Connect EW24, 40500 Steeling Beauty

The Tenant Improvements must be of substantially the same quality, value and workmanship as the remainder of the Building, and must be completed in accordance with all applicable laws. The Premises shall meet all applicable City, County, State, and Federal building codes, regulations, and ordinances required for beneficial occupancy. Any non-Tenant Improvement work, including construction, that Lessor must undertake to obtain the necessary jurisdictional approvals shall be at Lessor's sole cost and expense.

The parties agree that the estimated time for completion of the Tenant Improvements is 150 days from the date this Amendment is executed by the Lessee (the "Estimated Completion Date").

Completion of the Tenant Improvements may be delayed by the following ("Force Majeure Events"):

1. Any act of God which Lessor could not have reasonably foreseen and provided for, or
2. Any strikes, boycotts or similar obstructive acts by employees or labor organizations which Lessor cannot overcome with reasonable effort and could not reasonably have foreseen and provided for, or
3. Any war or declaration of a state of national emergency, or
4. The imposition by government action or authority of restrictions upon the procurement of labor or materials necessary for the completion of the Tenant Improvements.

If the Tenant Improvements have not been completed within thirty (30) days from the Estimated Completion Date, which period shall be extended for the duration of a Force Majeure Event, Lessee may, at its option, upon ten (10) days written notice to Lessor, assume the responsibility for performing the Tenant Improvements itself or cancel the Lease. If Lessee elects to perform the Tenant Improvements, then Lessee, its officers, employees, agents, contractors, subcontractors, and assignees, shall have free access to the Premises at all reasonable times for the purpose of performing the Tenant Improvements and for any other purposes related thereto.

10. Notwithstanding anything to the contrary, all other terms and conditions contained in Lease No. 72577 shall remain in full force and effect.

11. Each of the undersigned signatories for the Lessor personally covenant, warrant and guarantee that each of them, jointly and severally, have the power and authority to execute this Lease upon the terms and conditions stated herein and each agrees to indemnify and hold harmless the Lessee from all damages, costs, and expenses, which result from a breach of this mutual representation.

12. In the event of a conflict between the terms of this Amendment and the terms of the Lease, the terms of this Amendment shall control.

13. All undefined terms when used herein shall have the same respective meanings as are given under the Lease as amended unless expressly provided otherwise in this Amendment.

IN WITNESS WHEREOF, the Lessor has executed this Amendment or caused it to be duly executed, and the County of Los Angeles by order of its Board of Supervisors, has caused this Amendment to be executed on its behalf by the Mayor of said Board and attested to by the Clerk thereof the day, month, and year first above written.

LESSOR:

SONNENBLICK DEL RIO NORWALK, LLC  
a Delaware limited liability company

By: Robert Sonnenblick  
Bob Sonnenblick, Co-Manager

By: [Signature]  
Nelson Del Rio, Co-Manager

NORWALK SEC, LLC  
a Delaware limited liability company

By: Richard Kaplan  
Manager

I hereby certify that pursuant to  
Section 25103 of the Government Code,  
delivery of this document has been made.

SACHI A. HAMAI  
Executive Officer  
Clerk of the Board of Supervisors

By: Lachelle Smitherman  
Deputy

LESSEE:

COUNTY OF LOS ANGELES  
a body politic and corporate

By: Mark Ridley-Thomas  
Mark Ridley-Thomas  
Chairman, Board of Supervisors

ATTEST:

SACHI A. HAMAI  
Executive Officer-Clerk  
of the Board of Supervisors

By: Lachelle Smitherman  
DEPUTY

APPROVED AS TO FORM:

JOHN F. KRATTLI  
County Counsel

By: [Signature]  
Deputy



**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

16

JUN 18 2013

Sachi A. Hamai  
SACHI A. HAMAI  
EXECUTIVE OFFICER

72577  
Supervisor No. 1